



MONTANA
TELECOMMUNICATIONS
ASSOCIATION

June 27, 2003

The Honorable Michael K. Powell, Chairman
Federal Communications Commission
455 12th Street, S.W
Washington, D.C. 20554

Ex Parte: FCC Docket No. 96-45. Universal Service. Supported Services.

Dear Chairman Powell,

The Montana Telecommunications Association (MTA) represents independent local exchange carriers providing telecommunications services in Montana as designated eligible telecommunications carriers (ETCs). MTA understands that Commissioners are getting ready to issue an Order on the definition of supported services for universal service. In this regard, MTA encourages your support for a definition of supported services that includes equal access to interexchange services.

Including equal access meets the requirements of Secs. 251 and 254.

All Local Exchange Carriers, both incumbents and competitive LECs, are required under section 251(b)(3) of the Telecommunications Act of 1996 to provide dialing parity to competing providers of telephone exchange service and telephone toll service. Section 251(g) of the Act also specifically extends this obligation to "each local exchange carrier, to the extent that it provides wireline services..."

Section 254 (c)(1) establishes four criteria that must be considered with respect to any service contemplated for inclusion in the universal service definition. Equal access clearly satisfies the definition criteria.

- Equal access is essential to education, public health, or public safety.
- Equal access has been subscribed to by a substantial majority of residential customers.
- Telecommunications carriers are deploying equal access in public telecommunications networks.
- The inclusion of equal access is consistent with the public interest, convenience and necessity.

Including equal access in the definition of supported services meets these criteria.

Equal access benefits consumers.

Adding equal access to the definition will ensure rural consumers' opportunity to receive quality, beneficially priced long-distance services. Equal access is critical to facilitating long distance service options and rates in rural markets that are reasonably comparable to those in urban areas. Rural consumers tend to have fewer long distance providers to choose from and less attractive calling plans available to them than their urban counterparts. Adding equal access to the definition is essential to ensuring that rural Americans receive the full benefits of competition and choices in the interexchange services market.

Equal access is essential to education, public health or public safety. Rural consumers are compelled to make more toll calls than urban consumers, since rural markets have smaller calling scopes. Rural consumers are therefore more likely to make their toll calls in order to reach schools, health care providers, and public safety officials. Without equal access included in the universal service definition, rural consumers would not have the option of an alternative pre-subscribed toll provider.

Equal access provides an additional option in the package of telecommunications services available to consumers.

Equal access is technically and economically feasible

Most wireless carriers deploy existing switching capabilities (Class 5 switches, for example) that currently enable 2-PIC routing. Telecommunications carriers are deploying equal access in public telecommunications networks today. Arguments that equal access cannot be achieved readily are not tenable.

Equal access promotes competitive neutrality.

All ETCs should be subject to the same standards. Applying different rules or regulatory conditions to different carriers creates regulatory “safe harbors,” which invites uneconomic consequences.

Any carrier seeking designation as an ETC does so *voluntarily*. All ETCs should comply with the same responsibilities incumbent providers face as a condition of receiving this designation and high-cost universal service support.

When a CMRS provider is designated as an ETC, it is holding itself out as a substitute for the service provided by the LEC. Therefore, any CMRS provider that chooses to seek ETC status, receive universal service support, and offer services that are designed to substitute for a LEC's services, should be required to provide equal access.

Equal access Order should not be deferred.

MTA encourages the Commission to issue an Order in July to include equal access among supported services. Deferring a supported services decision until later will necessarily prolong regulatory disparities among ETCs, and will deprive consumers of competitive alternatives that otherwise should be made available to them. Moreover, deferring this decision to another proceeding will merely add to the list of decisions that ultimately need to be resolved by the Commission. Resolving the definition of supported services now will free the Commission later to determine separate issues involving criteria for designation of ETCs and portability of universal service support.

MTA appreciates the opportunity to provide these *ex parte* comments. Please do not hesitate to contact us if we can be of any assistance to you.

Sincerely,

/s/

Geoffrey A. Feiss, General Manager
Montana Telecommunications Association

cc. Commissioner Kathleen Abernathy
Commissioner Jonathan Adelstein
Commissioner Michael Copps
Commissioner Kevin Martin
Mr. Matt Brill, Senior Legal Advisor, Commissioner Abernathy
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Mr. Dan Gonzalez, Senior Legal Advisor, Commissioner Martin
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